



SHERYL L. SPILLER
Director

ANTONIA JIMENEZ
Acting Chief Deputy

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746
Tel (562) 908-8400 • Fax (562) 695-4801



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BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 October 4, 2016

LORI GLASGOW
EXECUTIVE OFFICER

October 04, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZATION TO TERMINATE FOR CONVENIENCE THE LOS ANGELES ELIGIBILITY,
AUTOMATED DETERMINATION, EVALUATION AND REPORTING SYSTEM (LEADER) AND
GAIN EMPLOYMENT ACTIVITY AND REPORTING SYSTEM (GEARS) AGREEMENTS
(ALL DISTRICTS AFFECTED) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

This is a joint recommendation by the Department of Public Social Services (DPSS) and the Chief Information Office (CIO) that the Board Delegate Authority to the DPSS Director, or her designee, to Terminate for Convenience the Agreement Number 68587 with Unisys Corporation (Unisys) for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting System (LEADER); and Agreement Number 76637 with Hewlett Packard Enterprise (HPE) for the Greater Avenues for Independence (GAIN) Employment Activity and Reporting System (GEARS).

IT IS RECOMMENDED THAT THE BOARD:

Delegate authority to the DPSS Director, or her designee, to Terminate for Convenience the Agreement Number 68587 with Unisys for the LEADER System; and Agreement Number 76637 with HPE for GEARS. Both Unisys and HPE will be issued written notices of termination, which will be exercised upon completion of the transition of services from the current LEADER and GEARS legacy systems to the new LEADER Replacement System (LRS).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In November 2012, the LRS Agreement was approved by the Board in order to replace existing legacy systems which include LEADER, GEARS, General Relief Opportunities for Work (GROW) and Department of Children and Family Services (DCFS) payment systems. The LRS architecture is fully scalable and flexible to effectively support performance, changing business needs, and user growth while existing legacy systems are obsolete and have trouble accommodating to ever-changing public assistance programs and policies in a timely and cost-effective manner.

LRS has been successfully implemented at all offices of the DPSS and is now in the 10th month of production operations since LRS pilot went live on September 29, 2015. As of July 26, 2016, LRS supports a caseload of over 2 million cases representing over 3.5 million beneficiaries of public assistance programs and records a 99.8% availability. LRS is scheduled to be implemented at all offices of the Department of Children and Family Services (DCFS) by October 2016.

After the implementation of all client caseloads into LRS and legacy system transition is completed, DPSS will issue notices of termination to Unisys and HPE. Termination of the LEADER and GEARS Agreements will not impact client services and will result in cost savings to the County.

Implementation of Strategic Plan Goals

Termination of these Agreements is consistent with the principles of the Countywide Strategic Plan Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The current Agreement end dates for LEADER and GEARS are April 30, 2017 and July 14, 2017, respectively. The Fiscal Year 2016-17 Adopted Budget for LEADER Agreement is \$22,500,000 and \$7,446,000 for the GEARS Agreement.

It is anticipated that the County will incorporate all client caseloads into LRS and complete final transition of LEADER and GEARS by October 31, 2016. Therefore, both legacy systems will no longer be needed, and their Agreements will be Terminated for Convenience pursuant to the appropriate terms of each Agreement. The estimated appropriation savings the County may achieve in FY 2016-17 due to the early termination for LEADER is \$13,500,000 and for GEARS is \$4,964,000, for a total of \$18,464,000, with an estimated Net County Cost savings of \$1,056,000 for LEADER.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On November 7, 2012, the County Board of Supervisors executed the LRS Agreement between the County and Accenture LLP who is in compliance with all Board and Chief Executive Office requirements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The termination of the LEADER and GEARS legacy systems will have no impact to County services. LRS, when fully deployed, will: 1) continue to support eligibility determination of California Work

Opportunity and Responsibility to Kids (CalWORKs), Medi-Cal, CalFresh, General Relief (GR) and Cash Assistance Programs for Immigrants (CAPI); and 2) continue to support case management of the GAIN Program Welfare-to-Work and GROW activities and key foster care, adoption and Kin-GAP related DCFS systems. The LRS will streamline case management of public assistance programs listed above by integrating business processes into a single web-based system and expanding service delivery to the public by providing a full-service e-Government portal.

CONCLUSION

Upon approval and execution, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Director of the Department of Public Social Services.

Respectfully submitted,



SHERYL L. SPILLER

Director



PETER LOO

Acting Chief Information Officer

SLS:PL:MS:af

c: Chief Executive Office
Executive Office, Board of Supervisors
County Counsel
Auditor-Controller